



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 21-21]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

SUMMARY: The DoD is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Neil Hedlund at neil.g.hedlund.civ@mail.mil or (703) 697-9214.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 21-21 with attached Policy Justification.

Dated: March 27, 2023.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

SEP 16 2021

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 21-21 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Kingdom of Saudi Arabia for defense articles and services estimated to cost \$500 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, reading "Heidi H. Grant", is positioned above the printed name and title.

Heidi H. Grant
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Regional Balance (Classified document provided under separate cover)

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Kingdom of Saudi Arabia

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 0 million
Other	<u>\$500 million</u>
TOTAL	\$500 million

Funding Source: National Funds

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

None

Non-MDE:

Continuation of the Maintenance Support Services (MSS) contract that supports the Royal Saudi Land Forces Aviation Command's (RSLFAC) fleet of AH-64D/E, UH-60L, UH-60M, Schweizer 333, and Bell 406CS helicopters, as well as the future fleet of CH-47F Chinook helicopters. The MSS contract services include management and installation of engineering change proposals and modification work orders; Repair and Return (R&R) management services and component repairs; aircraft simulator logistics, maintenance and technical support; training; maintenance management support for the RSLFAC headquarters staff; and other related elements of logistics and program support.

(iv) Military Department: Army (SR-B-ZDA)

(v) Prior Related Cases, if any: SR-B-UAF; SR-B-UGZ; SR-B-WAL; SR-B-ZAN; SR-B-ZAU

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None

(viii) Date Report Delivered to Congress: **September 16, 2021**

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Saudi Arabia – Continuation of Maintenance Support Services (MSS)

The Kingdom of Saudi Arabia has requested to buy the continuation of the Maintenance Support Services (MSS) contract that supports the Royal Saudi Land Forces Aviation Command's (RSLFAC) fleet of AH-64D/E, UH-60L, UH-60M, Schweizer 333, and Bell 406CS helicopters, as well as the future fleet of CH-47F Chinook helicopters. The MSS contract services include management and installation of engineering change proposals and modification work orders; Repair and Return (R&R) management services and component repairs; aircraft simulator logistics, maintenance and technical support; training; maintenance management support for the RSLFAC headquarters staff; and other related elements of logistics and program support. The estimated total case value is \$500 million.

This proposed sale will support U.S. foreign policy and national security objectives by helping to improve the security of a friendly country that continues to be an important force for political stability and economic growth in the Middle East.

The proposed sale will improve Saudi Arabia's capability to meet current and future threats by the continuation of MSS services that will aid in the maintenance support of Saudi Arabia's rotary wing aircraft fleet, engines, avionics, weapons, and missile components. Saudi Arabia will have no difficulty absorbing these articles and services into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The vendor is unknown at this time. The purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the vendor.

Implementation of this proposed sale will require the assignment of two (2) U.S. Government and three hundred fifty (350) U.S. contractor representatives to Saudi Arabia for a duration of two (2) years.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.